takaful emarat

www.takafulemarat.com

Detailed analysis of accumulated losses

Date:	**01-04-2022**
Listed Company Name:	TAKAFUL EMARAT – INSURANCE PSC
Define the period of the financial statements	For period ended 31 Dec 2021
Accumulated losses:	AED 74,986,787
Accumulated losses to capital ratio:	49.99%
The main reasons leading to these accumulated losses and their history:	The main reasons for losses are increase in business cost due to severe competition and unexpected claims due to pandemic. The investments have generated lower returns during the period. Furthermore, in 2017 and 2018 the Company had invested into technology digitizing its sales and operations processes. However, some of these investments did not yield the desired output leading to writing off these investments during 2019.
Measures to be taken to address accumulated losses:	The losses will be recovered gradually as the business recovers from Pandemic and market consolidation. Measures are underway to reduce the general and administrative expenses in addition to the indirect business expenses. Further work is underway to take other measures such as reviewing the underwriting guidelines and portfolio losses with a view to pricing modules appropriately.

Authorized Signatory
Chief Executive Officer
Wael Al Sharif